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STC Alternative Form

CM097 Alternative Request 1: Offshore Transmission Owner (OFTO) Alternative to the Original proposal with consideration of prioritisation, cost and time.

Overview:

The CM097 Original proposal has laudable aims; however, the implementation has not considered the implications on Transmission Owners (TOs), who the burden will fall on, in terms of resourcing or the specific need for the data.

This Alternative proposal includes a pragmatic approach to Electromagnetic Transient (EMT) data collection, emphasising cost-benefit assessments, prioritisation of data requests, and reasonable endeavours to manage resources efficiently.

Proposer: Mike Lee, Transmission Capital OFTO

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What is the proposed alternative solution?

Specifically, our OFTO concerns are:-

1. Electromagnetic Transient (EMT) data is unlikely to be available for the majority of our Offshore Transmission Owners (OFTOs) sites (only more recent sites, e.g. post 2022, whereas older assets not).
2. We are reliant on manufacturers who may not have the data either (or may no longer exist) and commercial arrangements may be necessary to seek that data or further development work, at a cost.
3. There is a significant time amount of internal time to progress this and can't all be done right now. It may take many months. There can't be an obligation to provide all of this by a specific date, there needs to be an agreed plan to deliver it. Resources diverted to this, cannot do other useful and potentially more important work.
4. Is it necessary for every network? Especially the embedded OFTOs? It seems that the obligation should not be a blanket one but rather justified on the basis of need and cost. As there is no cost to National Energy System Operator (NESO), there is no disincentive not to ask for everything.
5. Through the Offshore Transmission System Development User Works (OTSDUW) process, NESO may well have a lot of this data already, and that should be first recourse. Obtaining Original Equipment Manufacturer (OEM)'s controller models, often requires Non-Disclosure Agreement (NDAs) and in some cases the exchange of technically inferior models due to confidentiality.

Our Alternative would include the following:

1. An obligation on NESO to carry out a cost benefit assessment before requesting EMT data, with an obligation on TOs to provide estimates of time and costs. There should not be a principle that everything is needed.
2. NESO to produce a prioritisation of sites, such that those where the EMT model impact is greatest is requested to be delivered first and this is to be agreed with TOs.

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3. The obligation should be reasonable endeavours, so if data isn't available or is very difficult / costly to obtain then there is no hard obligation on the TO to provide it.
4. The System Operator Transmission Owner Code (STC) obligation on TOs should be based on the prioritised list agreed between NESO and TO. Any obligation needs to recognise that it can't be achieved immediately or possibly not at all.
5. As there are significant resource and costs needed to deliver this, the modification can only be introduced if it is matched with required funding.

What is the difference between this and the Original Proposal?

The Alternative proposal recognises the significant cost and engineering resource needed to deliver this request and suggests a more pragmatic approach such the highest priority items are delivered first.

What is the impact of this change?

The intention is that NESO still gets the data it requires, but in a more efficient way.

Proposer's assessment against STC Objectives

Relevant Objective	Identified impact
(a) efficient discharge of the obligations imposed upon Transmission Licensees by Transmission Licences and the Electricity Act 1989;	Positive More efficient than the baseline
(b) efficient discharge of the obligations imposed upon the licensee by the Electricity System Operator licence, the Energy Act 2023 and Electricity Act 1989;	Positive More efficient than the baseline

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(c) development, maintenance, and operation of an efficient, economical, and coordinated system of electricity transmission;	Positive Priorities the highest value data first.
(d) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the distribution of electricity;	Positive Priorities the highest value data first.
(e) protection of the security and quality of supply and safe operation of the National Electricity Transmission System insofar as it relates to interactions between Transmission Licensees and the licensee*;	Positive Priorities the highest value data first.
(f) promotion of good industry practice and efficiency in the implementation and administration of the arrangements described in the STC;	Positive Avoids licensees being in breach of STC for not supplying all the data on day one.
(g) facilitation of access to the National Electricity Transmission System for generation not yet connected to the National Electricity Transmission System or Distribution System; and	Positive Priorities the highest value data first.
(h) compliance with the Electricity Regulation and any Relevant Legally Binding Decisions of the European Commission and/or the Agency.	Neutral

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* See Electricity System Operator Licence

When will this change take place?

Implementation date:

As per the Original

Implementation approach:

As the original, other than noting a staged implementation based on priority.

Acronyms, key terms and reference material

Acronym / key term	Meaning
EMT	Electromagnetic Transient
NDA	Non-Disclosure Agreement
NESO	National Energy System Operator
OEM	Original Equipment Manufacturer
OFTO	Offshore Transmission Owner
OTSDUW	Offshore Transmission System Development User Works
STC	System Operator Transmission Owner Code
TO	Transmission Owner

Annexes

Annex	Information
Annex 01	CM097 Workgroup Consultation TCP Response